

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
RIVERSIDE DIVISION

In Re. Okaysou Corp

§
§
§
§

Case No. 23-11535

Debtor(s)

Jointly Administered

Monthly Operating Report

Chapter 11

Reporting Period Ended: 10/31/2023

Petition Date: 04/17/2023

Months Pending: 7

Industry Classification:

5	9	6	1
---	---	---	---

Reporting Method: Accrual Basis

Cash Basis

Debtor's Full-Time Employees (current): 0

Debtor's Full-Time Employees (as of date of order for relief): 1

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- Statement of cash receipts and disbursements
- Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- Statement of operations (profit or loss statement)
- Accounts receivable aging
- Postpetition liabilities aging
- Statement of capital assets
- Schedule of payments to professionals
- Schedule of payments to insiders
- All bank statements and bank reconciliations for the reporting period
- Description of the assets sold or transferred and the terms of the sale or transfer

/s/ David Mickelson

David Mickelson - Chief Restructuring Officer

Signature of Responsible Party

Printed Name of Responsible Party

12/07/2023

Post Office Box 1028 La Canada Flintridge, CA 91012

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Part 1: Cash Receipts and Disbursements	Current Month	Cumulative
a. Cash balance beginning of month	\$22,240	
b. Total receipts (net of transfers between accounts)	\$37,903	\$0
c. Total disbursements (net of transfers between accounts)	\$26,473	\$0
d. Cash balance end of month (a+b-c)	\$33,670	
e. Disbursements made by third party for the benefit of the estate	\$0	\$0
f. Total disbursements for quarterly fee calculation (c+e)	\$26,473	\$0

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)	Current Month
a. Accounts receivable (total net of allowance)	\$0
b. Accounts receivable over 90 days outstanding (net of allowance)	\$0
c. Inventory (Book <input type="radio"/> Market <input type="radio"/> Other <input checked="" type="radio"/> (attach explanation))	\$1,248,594
d. Total current assets	\$33,670
e. Total assets	\$1,340,940
f. Postpetition payables (excluding taxes)	\$0
g. Postpetition payables past due (excluding taxes)	\$0
h. Postpetition taxes payable	\$0
i. Postpetition taxes past due	\$0
j. Total postpetition debt (f+h)	\$0
k. Prepetition secured debt	\$720,097
l. Prepetition priority debt	\$0
m. Prepetition unsecured debt	\$898,343
n. Total liabilities (debt) (j+k+l+m)	\$1,618,440
o. Ending equity/net worth (e-n)	\$-277,500

Part 3: Assets Sold or Transferred	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0

Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$0	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$0	
c. Gross profit (a-b)	\$0	
d. Selling expenses	\$0	
e. General and administrative expenses	\$0	
f. Other expenses	\$0	
g. Depreciation and/or amortization (not included in 4b)	\$0	
h. Interest	\$0	
i. Taxes (local, state, and federal)	\$0	
j. Reorganization items	\$0	
k. Profit (loss)	\$0	\$0

Part 5: Professional Fees and Expenses

a.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>		\$0			
<i>Itemized Breakdown by Firm</i>						
	Firm Name	Role				
i	Vahe Khojayan	Lead Counsel	\$0			
ii						
iii						
iv						
v						
vi						
vii						
viii						
ix						
x						
xi						
xii						
xiii						
xiv						
xv						
xvi						
xvii						
xviii						
xix						
xx						
xxi						
xxii						
xxiii						
xxiv						
xxv						
xxvi						
xxvii						
xxviii						
xxix						
xxx						
xxxi						
xxxii						
xxxiii						
xxxiv						
xxxv						
xxxvi						

xxxvii							
xxxvii							
xxxix							
xl							
xli							
xlii							
xliii							
xliv							
xlv							
xlvi							
xlvii							
xlviii							
xlix							
l							
li							
lii							
liii							
liv							
lv							
lvi							
lvii							
lviii							
lix							
lx							
lxii							
lxiii							
lxiv							
lxv							
lxvi							
lxvii							
lxviii							
lxix							
lxx							
lxxi							
lxxii							
lxxiii							
lxxiv							
lxxv							
lxxvi							
lxxvii							
lxxvii							

lxxix						
lxxx						
lxxxi						
lxxxii						
lxxxii						
lxxxiv						
lxxxv						
lxxxvi						
lxxxvi						
lxxxix						
xc						
xcii						
xciii						
xciv						
xcv						
xcvi						
xcvii						
xcviii						
xcix						
c						
ci						

b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>		\$13,253	\$46,958	\$17,100	\$17,100
<i>Itemized Breakdown by Firm</i>						
i	Firm Name	Role				
i	David Mickelson	Financial Professional	\$13,253	\$46,958	\$17,100	\$17,100
ii						
iii						
iv						
v						
vi						
vii						
viii						
ix						
x						
xi						
xii						
xiii						
xiv						

xv							
xvi							
xvii							
xviii							
xix							
xx							
xxi							
xxii							
xxiii							
xxiv							
xxv							
xxvi							
xxvii							
xxviii							
xxix							
xxx							
xxxi							
xxxii							
xxxiii							
xxxiv							
xxxv							
xxxvi							
xxxvii							
xxxviii							
xxxix							
xl							
xli							
xlii							
xliii							
xliv							
xlv							
xlii							
xlvii							
xlviii							
xlix							
l							
li							
lii							
liii							
liv							
lv							
lvi							

lvii							
lviii							
lix							
lx							
lxi							
lxii							
lxiii							
lxiv							
lxv							
lxvi							
lxvii							
lxviii							
lxix							
lxx							
lxxi							
lxxii							
lxxiii							
lxxiv							
lxxv							
lxxvi							
lxxvii							
lxxvii							
lxxix							
lxxx							
lxxxi							
lxxxii							
lxxxii							
lxxxiv							
lxxxv							
lxxxvi							
lxxxvi							
lxxxvi							
lxxxix							
xc							
xcii							
xcii							
xciv							
xcv							
xcvi							
xcvii							
xcviii							

xcix						
c						
c.	All professional fees and expenses (debtor & committees)	\$13,252	\$46,958	\$17,100	\$17,100	

Part 6: Postpetition Taxes

	Current Month	Cumulative
a. Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b. Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c. Postpetition employer payroll taxes accrued	\$0	\$0
d. Postpetition employer payroll taxes paid	\$0	\$0
e. Postpetition property taxes paid	\$0	\$0
f. Postpetition other taxes accrued (local, state, and federal)	\$0	\$0
g. Postpetition other taxes paid (local, state, and federal)	\$0	\$0

Part 7: Questionnaire - During this reporting period:

a. Were any payments made on prepetition debt? (if yes, see Instructions)	Yes <input type="radio"/>	No <input checked="" type="radio"/>
b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions)	Yes <input type="radio"/>	No <input checked="" type="radio"/>
c. Were any payments made to or on behalf of insiders?	Yes <input type="radio"/>	No <input checked="" type="radio"/>
d. Are you current on postpetition tax return filings?	Yes <input type="radio"/>	No <input checked="" type="radio"/>
e. Are you current on postpetition estimated tax payments?	Yes <input type="radio"/>	No <input checked="" type="radio"/>
f. Were all trust fund taxes remitted on a current basis?	Yes <input type="radio"/>	No <input checked="" type="radio"/>
g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	Yes <input type="radio"/>	No <input checked="" type="radio"/>
h. Were all payments made to or on behalf of professionals approved by the court?	Yes <input type="radio"/>	No <input type="radio"/> N/A <input checked="" type="radio"/>
i. Do you have:		
Worker's compensation insurance?	Yes <input type="radio"/>	No <input checked="" type="radio"/>
If yes, are your premiums current?	Yes <input type="radio"/>	No <input type="radio"/> N/A <input checked="" type="radio"/> (if no, see Instructions)
Casualty/property insurance?	Yes <input type="radio"/>	No <input checked="" type="radio"/>
If yes, are your premiums current?	Yes <input type="radio"/>	No <input type="radio"/> N/A <input checked="" type="radio"/> (if no, see Instructions)
General liability insurance?	Yes <input type="radio"/>	No <input checked="" type="radio"/>
If yes, are your premiums current?	Yes <input type="radio"/>	No <input type="radio"/> N/A <input checked="" type="radio"/> (if no, see Instructions)
j. Has a plan of reorganization been filed with the court?	Yes <input type="radio"/>	No <input checked="" type="radio"/>
k. Has a disclosure statement been filed with the court?	Yes <input checked="" type="radio"/>	No <input type="radio"/>
l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes <input type="radio"/>	No <input checked="" type="radio"/>

Part 8: Individual Chapter 11 Debtors (Only)

a. Gross income (receipts) from salary and wages	\$0
b. Gross income (receipts) from self-employment	\$0
c. Gross income from all other sources	\$0
d. Total income in the reporting period (a+b+c)	\$0
e. Payroll deductions	\$0
f. Self-employment related expenses	\$0
g. Living expenses	\$0
h. All other expenses	\$0
i. Total expenses in the reporting period (e+f+g+h)	\$0
j. Difference between total income and total expenses (d-i)	\$0
k. List the total amount of all postpetition debts that are past due	\$0
l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes <input type="radio"/> No <input checked="" type="radio"/>
m. If yes, have you made all Domestic Support Obligation payments?	Yes <input type="radio"/> No <input type="radio"/> N/A <input checked="" type="radio"/>

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

David Mickelson

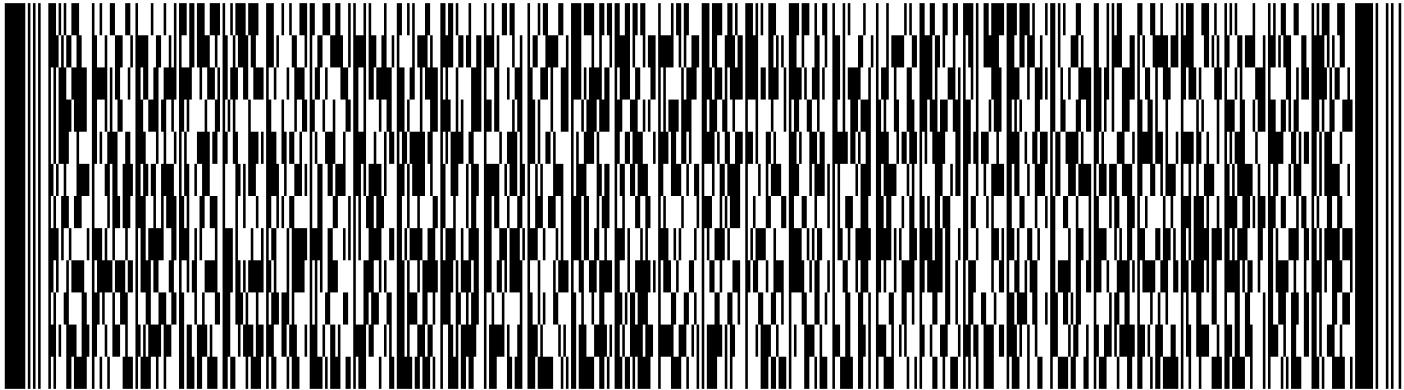
 Signature of Responsible Party
 Chief Restructuring Officer

 Title

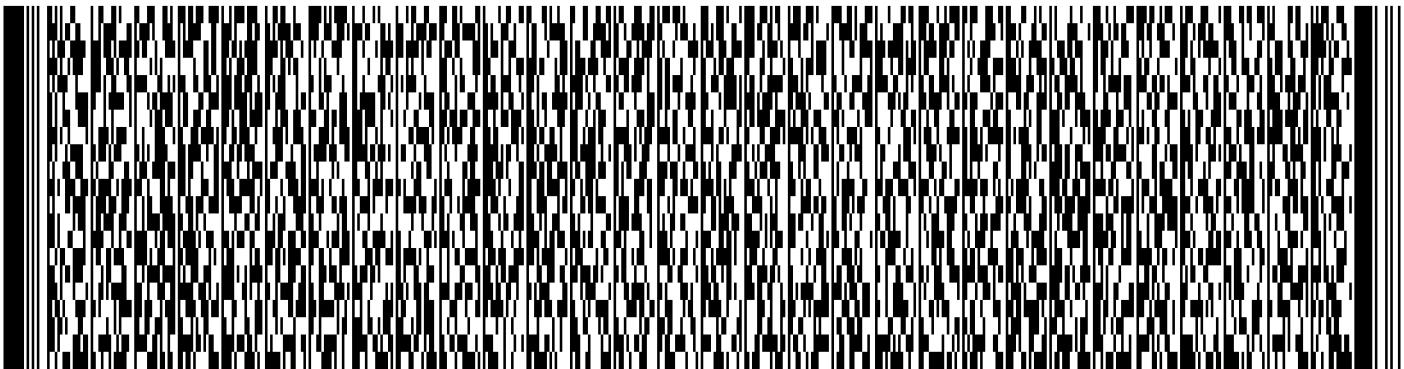
David Mickelson

 Printed Name of Responsible Party
 09/08/2023

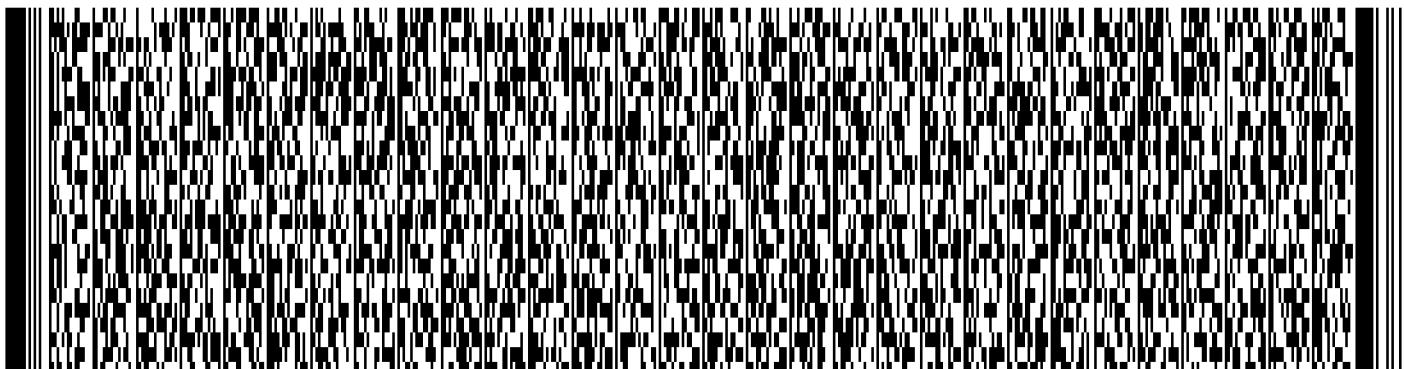
 Date



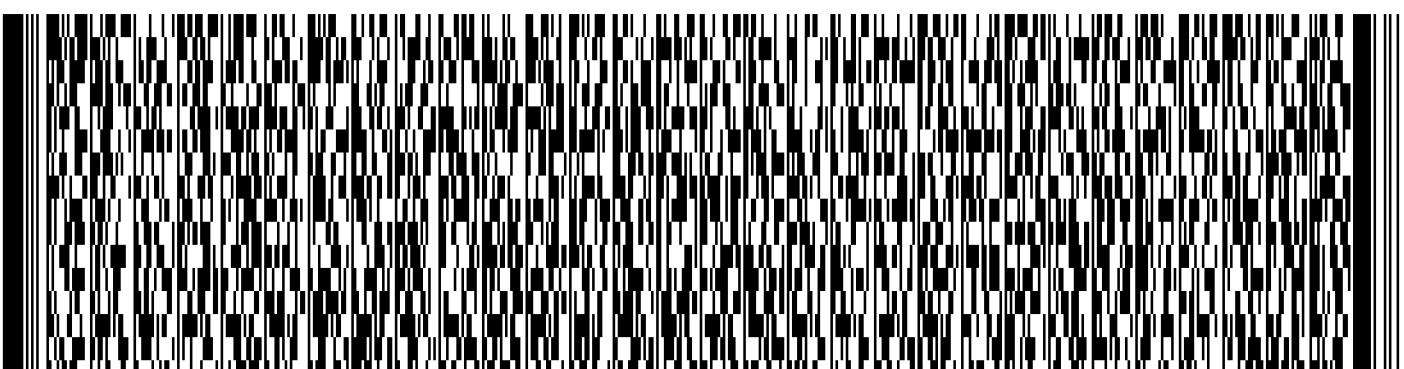
PageOnePartOne



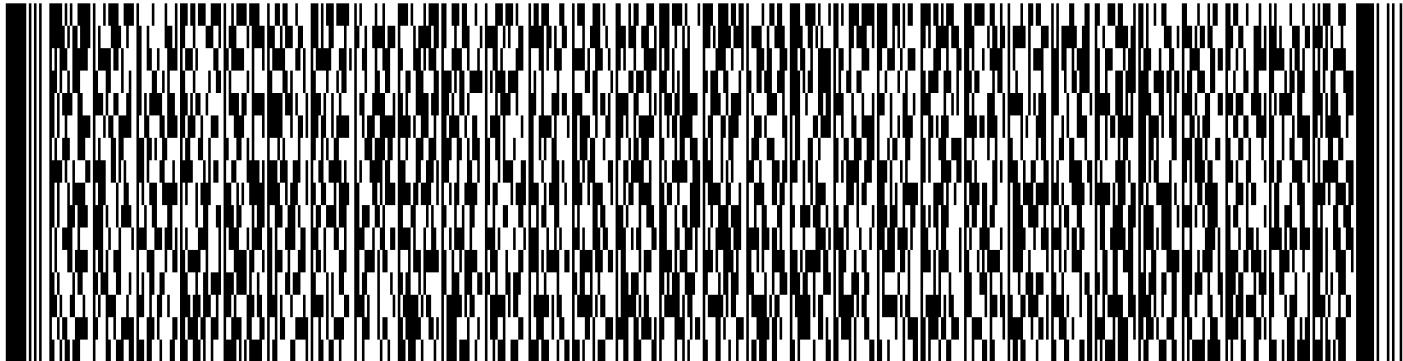
PageOnePartTwo



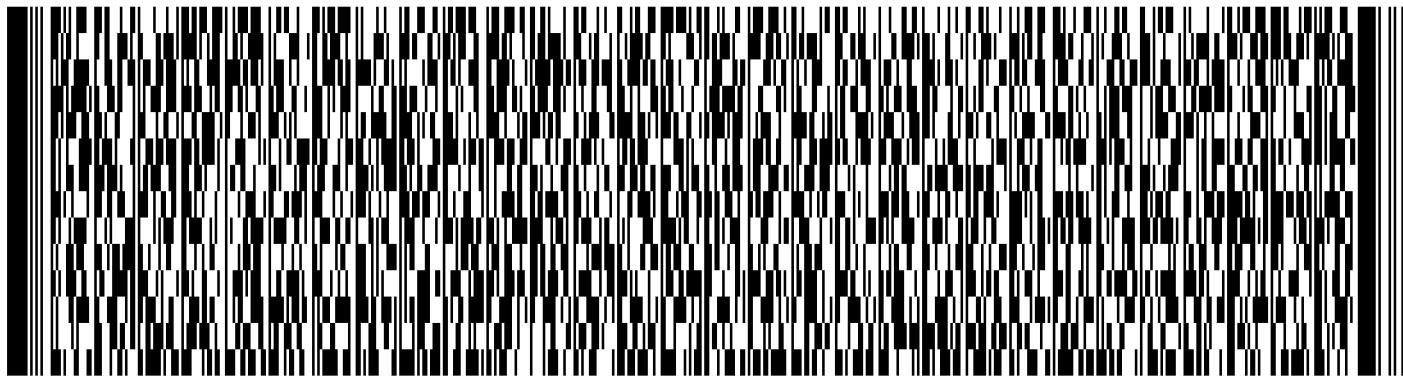
PageTwoPartOne



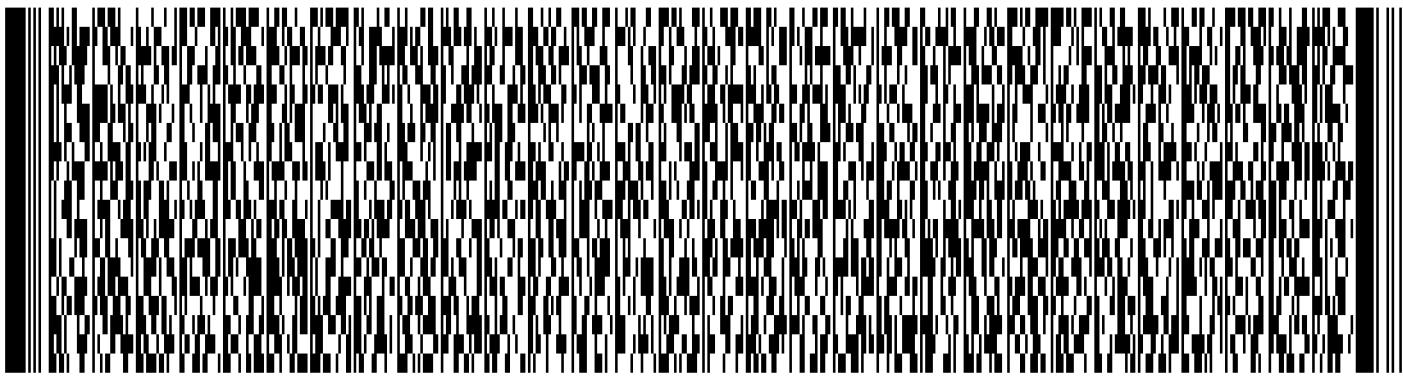
PageTwoPartTwo



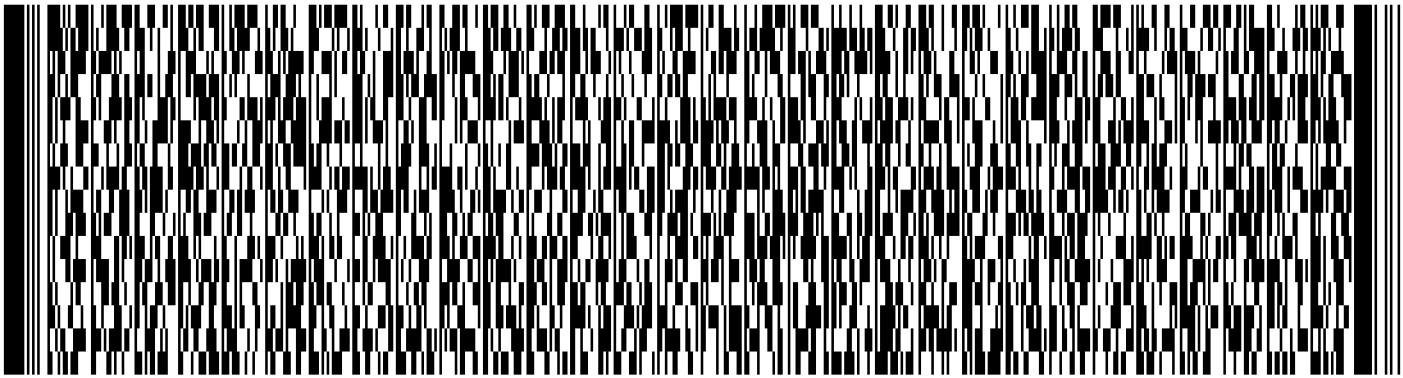
Bankruptcy1to50



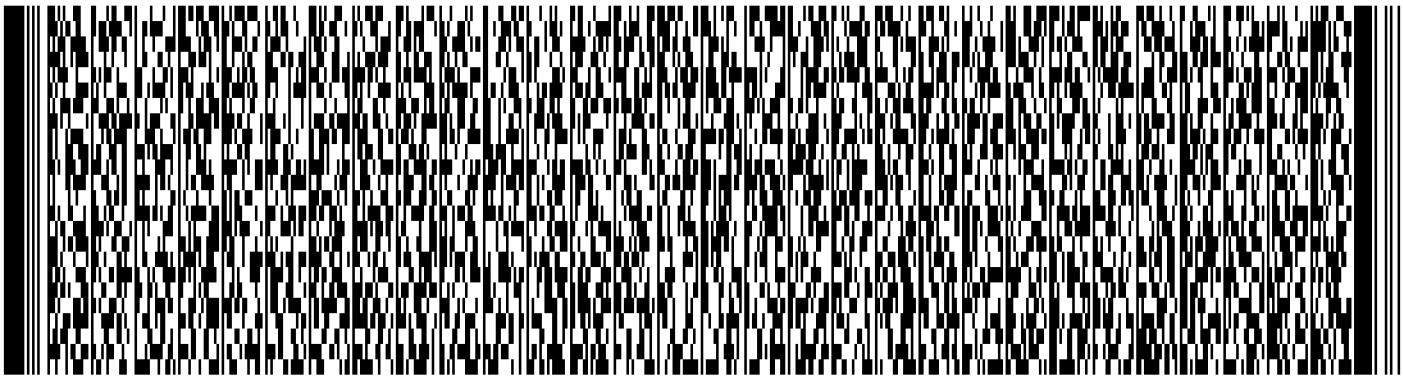
Bankruptcy51to100



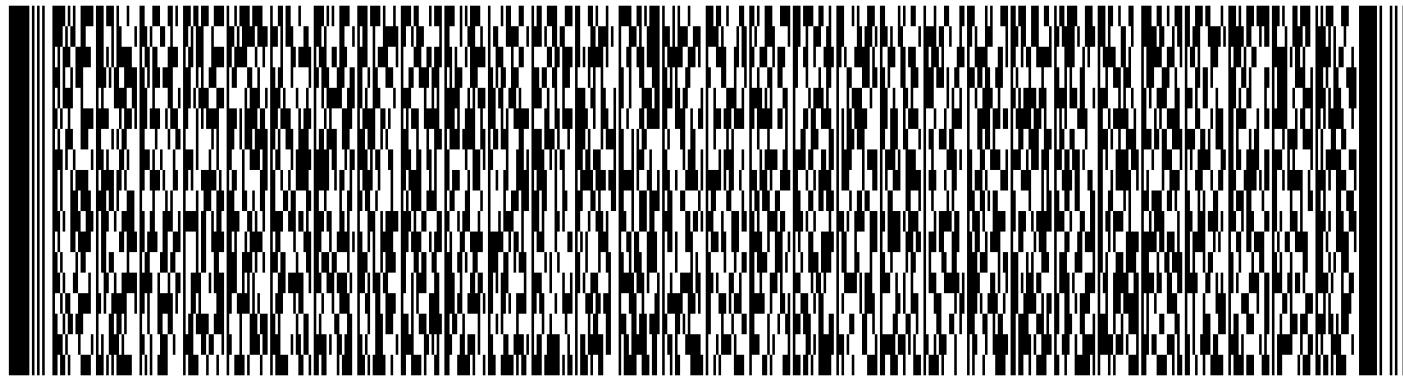
NonBankruptcy1to50



NonBankruptcy51to100



PageThree



PageFour

Financial Notes & Budget
Okaysou Corp

October 31, 2023

I. Okaysou Corp Background

- A. On April 17, 2023, the Debtor filed Chapter 11 Bankruptcy.
- B. On August 23, 2023, Amazon provided partial access to the Seller Central account.
- C. From August 23, 2023 to September 1, 2023, the Debtor had access to the Seller Central account and was able to begin restoring the functionality of the platform.
- D. On September 2, 2023, Amazon revoked access to the Seller Central account.
- E. On September 12, 2023, Amazon granted full access to the Seller Central account and the Debtor began to restore the functionality of the platform.
- F. On September 15, 2023, Okaysou Corp began selling filters (not air purifiers), through the Amazon Seller Central platform.
- G. As of October 31, 2023 Amazon disbursed \$37,902.44 of funds from sales.

II. Financial Model Assumptions

- A. From October 1, 2023 to October 31, 2023, Okaysou Corp's sales totaled ~ \$67,051.
- B. From September 15, 2023 to October 14, 2023, Okaysou sales totaled ~ \$67,729 vs. 2022 sales of \$701,744 a YoY decline of 90.3%; CAD sales totaled \$8,641 in the current period. Recent sales are based solely on the sale of filters only.
- C. 2022 Amazon sales were based on the sale of air purifiers and filters, hence a higher average unit price of \$82.43 vs. \$36.03 in 2023.
- D. 2022 Amazon units totaled 8,513 vs. 1,880 in 2023.
- E. Additionally, over the period from April 18, 2023 to August 20, 2023 sales from US & Canada totaled ~ \$1,247,208. There is a second segment of sales through the Shopify FBA platform totaling \$485,818 for combined gross sales of \$1,733,026.

III. Six Month Budget

- A. Okaysou Corp's short-term budget is based on the following criteria:
 - a. Limited product availability from Amazon inventory;
 - b. Limited types of products from Amazon's inventory, effectively – only filters;
 - c. Access to Can-Sail inventory shipped to Amazon's warehouses;
 - d. Potential purchase of new inventory (filters) from China.

IV. Amazon Disbursements

- A. It should be noted, given the Debtor had no ability to sell inventory from April 17, 2023 to September 14, 2023, though Amazon was selling US and Canadian inventory and at the same time Amazon was fulfilling Shopify sales FBA. During this period Amazon was charging various types of fees. Further, the lack of capital and liquidity from actual unauthorized distributions of \$522,364 that could have been used to address inventory deficiencies will inhibit the Debtor's sales on a going forward basis; to date, no disbursements have been made from the Amazon Seller Central account.
- B. Due to the Debtor's lack of access to (i) the Amazon Seller Central account, (ii) product sales via Amazon channels, (iii) Amazon's unauthorized disbursements defined in point IV. A, and (iv) Amazon's withholding funds in lieu of making proper disbursements to the Debtor's estate, product sales will be limited until such time as a reconciliation of all sales and disbursements are made.

V. Cash Collateral Motion

- A. On August 17, 2023 the Court Granted continued use of Cash Collateral based on the previous July 24, 2023 Order. At that time Amazon was granted an Adequate Protection Payment of \$80,381.33.
- B. The Order also requested Amazon disburse \$30,000 from the Debtor's Seller Central account – no funds have been received by the Debtor's Estate.
- C. In preparation of the Okaysou Corp's Six Month Budget, a fraction of the Adequate Protection Payment is feasible. In the month of October 2023, the Budget allows a \$20,000 payment; each of the successive months the Adequate Protection Payment increases by \$5,000. The March 2024 Adequate Protection Payment will total \$45,000.
- D. Given the financial background between Okaysou and Amazon over the past six months, an increase in sales is achievable, but it depends on Amazon's disbursement to the Debtor of \$522,364 of unauthorized funds to unrelated third-parties; the disbursement of funds to the Debtor should be considered a Recapture of funds or Clawback provision.
- E. Given the Debtor's Operating Cash Flow increases gradually, the source for Adequate Payment Protection will be provided out of the Debtor's Operating Cash Flow and Other Adjustments to Cash Balances as shown Disbursements / Adjustments from the budget.

VI. Limited Inventory Purchase

- A. To maximize the Debtor's estate and provide an increase in Operating Cash flow, a small amount of inventory of approximately \$25,000 will need to be purchased.

B. The rationale is that since Okaysou Corp has sold over ~ \$22.5M (based on 1099's), of air purifiers and filters from 2019 through 2022, this modest inventory purchase of filters supports the ongoing operations. In the alternative, if no additional inventory is purchased, there is an assumption that many of the air purifiers will be returned due to the lack of continuing of Okaysou Corp's five year warranty for the air purifiers.

VII. Recommendations & Conclusions

1. *Over the past thirty days, the Debtor has reestablished Okaysou Corp's market presence on the Amazon platform.*
2. *The Debtor has significant inventory and A/R's to support operations.*
3. *Third-party inventory needs to be shipped to Amazon's warehouses.*
4. *To further support operations, Amazon needs to disburse unauthorized funds due Debtor's Estate.*
5. *Based on the Proposed Budget, Okaysou Corp's operations will strengthen over the next six months.*
6. *Amazon to provide the Debtor with a reconciliation of cash balances and payments.*

Respectfully Submitted,

David Mickelson
Chief Restructuring Officer under 11 USC 363
Case #: 6:23-bk-11535

Okaysou Corp Financial Disclosure Notes – October 31, 2023

Supporting Documentation

1. During the month of October 2023, the Debtor estate received \$37,902.44 from Amazon. Okaysou Corp's sales for the period totaled \$67,051.
2. During the month of October 2023, the Debtor estate began disbursing funds to third-party entities.
3. No balance sheet has been prepared, no current financial statements have been provided by the Debtor.
4. The Debtor does not report any Accounts Receivable nor agings.
5. The Debtor does not report any Liability or Payable Agings.
6. A Statement of Capital Assets for 2022 & 2023 has not been provided by the Debtor. Effectively, given the Debtor had not reported any Capital Assets on the 2021 Corporate Tax Returns, it is unlikely that the Debtor has any Capital Assets.
7. Assets may have been sold through Amazon's Seller Central platform.

Part 1.

- A. Receipts and Disbursements are under the control of Amazon; therefore the Debtor has no control over this category. Receipts and Disbursements are under the control of Shopify; therefore the Debtor has no control over this category.

Part 2.

- A. (a) Accounts Receivable are under control of Amazon. The Debtor has no control or access to proceeds from the Amazon unless disbursed:
 - (a) Amazon Net Accounts Receivable for the period ending October 31, 2023 are ~
 - (a) Amazon Net Accounts Receivable for the period ending September 30, 2023 are ~ \$877,828.
- B. (a) Amazon Net Accounts Receivable for the period ending August 31, 2023 are ~ \$860,574.
- C. (a) Amazon Net Accounts Receivable for the period ending July 31, 2023 are ~ \$860,490.

- D. (a) Amazon Net Accounts Receivable for the period ending June 30, 2023 are ~ \$699,950.
- E. (a) Amazon Net Accounts Receivable for the period ending May 31, 2023 are ~ \$497,986.
- F. (a) Amazon Net Accounts Receivable for the period ending April 30, 2023 are ~ \$181,558.
- G. (a) Shopify Accounts Receivable are under the control of Shopify in Canada but fulfilled through Amazon (FBA). The Debtor has not control or access to proceeds from the Shopify account.
- H. (a) Shopify Gross Accounts Receivable for the period ending October 31, 2023
- I. (a) Shopify Gross Accounts Receivable for the period ending September 30, 2023 are ~ \$487,499, but Amazon shipping charges of ~ seven percent (7%) have not been deducted. Additionally, Shopify Capital charges of ~ twenty-five percent (25%) have not been deducted from the gross accounts receivable.
- J. (a) Shopify Gross Accounts Receivable for the period ending August 31, 2023 are ~ \$485,818, but Amazon shipping charges of ~ seven percent (7%) have not been deducted. Additionally, Shopify Capital charges of ~ twenty-five percent (25%) have not been deducted from the gross accounts receivable.
- K. (a) Shopify Gross Accounts Receivable for the period ending August 8, 2023 are ~ \$485,818, but the Amazon shipping charges of ~ seven percent (7%) have not been deducted. Additionally, Shopify Capital charges of ~ twenty-five percent (25%) have not been deducted from the gross accounts receivable.
- L. (a) Shopify Gross Accounts Receivable for the period ending July 31, 2023 are ~ \$368,694, but the Amazon shipping charges of ~ seven percent (7%) have not been deducted. Additionally, Shopify Capital charges of ~ twenty-five percent (25%) have not been deducted from the gross accounts receivable.
- M. (a) Shopify Gross Accounts Receivable for the period ending June 30, 2023 are ~ \$251,570, but the Amazon shipping charges of ~ seven percent (7%) have not been deducted. Additionally, Shopify Capital charges of ~ twenty-five percent (25%) have not been deducted from the gross accounts receivable.
- N. (a) Shopify Gross Accounts Receivable for the period ending May 31, 2023 are ~ \$102,200, but the Amazon shipping charges of ~ seven percent (7%) have not been deducted. Additionally, Shopify Capital charges of ~ twenty-five percent (25%) have not been deducted from the gross accounts receivable.
- O. (a) Shopify Gross Accounts Receivable for the period ending April 30, 2023 are ~ \$14,124, but the Amazon shipping charges of ~ seven percent (7%) have not

been deducted. Additionally, Shopify Capital charges of ~ twenty-five percent (25%) have not been deducted from the gross accounts receivable.

- P. (a) Summary (A-K) – Amazon Net Accounts Receivable through September 30, 2023 total \$877,828. Shopify Gross Accounts Receivable through September 30, 2023 total \$487,499 CAD or \$353,260 @ an exchange rate of 1.38. The combined Accounts Receivable from Amazon & Shopify total USD of \$1,231,088; these Accounts Receivable need to be reconciled to the Amazon's Disbursement Schedule.
- Q. (c) Okaysou Corp 2021 tax return balance sheet reflects inventory as zero. There is contractual inventory (sold by Amazon) held as collateral for the Debtors secured lien – liability. Recent discoveries based on Amazon and Third-Party providers from August 20, 2023 to August 31, 2023 have established additional inventory located in Los Angeles and Riverside County of a range between \$600,000 to \$800,000. A physical inspection of one Third-Party location has confirmed ~ \$400,000 of finished goods inventory (book value), market value is ~ \$800,000.
- R. (c) an inventory adjustment of eight-one percent (81%) has been applied against sales during the October 2023 period. Based on October net sales of \$67,051, an adjustment of \$54,311 has been applied to October 2023 inventory.
- S. (c) an inventory adjustment of eighty-one percent (81%) has been applied against sales during the September 2023 period. Based on September net sales of \$36,189, an adjustment of \$29,313 has been applied to September 2023 inventory.
- T. (c) an inventory adjustment of eighty-one percent (81%) has been applied against sales during the August 2023 period. Based on August net sales of \$122, an adjustment of \$99 has been applied to August 2023 inventory.
- U. (c) an inventory adjustment of eighty-one percent (81%) has been applied against sales during the July 2023 period. Based on July net sales of \$160,540, an adjustment of \$130,037 has been applied to July 2023 inventory.
- V. (c) an inventory adjustment of eighty-one percent (81%) has been applied against sales during the June 2023 period. Based on June net sales of \$201,964, an adjustment of \$163,590.84 has been applied to June 2023 inventory.
- W. (c) an inventory adjustment of eight-one percent (81%) has been applied against sales during the May 2023 period. Based on May net sales of \$316,428, an adjustment of \$256,306.68 has been applied to May 2023 inventory.
- X. (c) an inventory adjustment of eighty-one percent (81%) has been applied against sales during the April 2023 period. Based on April net sales of \$181,558, an adjustment of \$147,061.98 has been applied to April 2023 inventory.

Y. (c) no inventory adjustment has been applied to Shopify sales. Total Shopify sales which are fulfilled via Amazon distribution channels from August 1, 2023 to August 20, 2023 total \$117,124. No reporting was received during the period of August 21, 2023 to August 31, 2023

Z. (c) no inventory adjustment has been applied to Shopify sales. Total Shopify sales which are fulfilled via Amazon distribution channels from July 1, 2023 to July 31, 2023 total \$117,124.

AA. (c) no inventory adjustment has been applied to Shopify sales. Total Shopify sales which are fulfilled via Amazon distribution channels from April 18, 2023 to June 30, 2023 total \$251,570.

Part 4.

- A. At this time, no Statement of Operations can be provided. While the Amazon Seller Central platform reported domestic and international gross sales from April 20, 2023 to April 30, 2023 of \$263,127 & net sales of \$181,558.
- B. While the Amazon Seller Central platform reported domestic and international gross sales from May 1, 2023 to May 31, 2023 of \$458,592 & net sales of \$316,428, no proceeds have been disbursed or received by the Okaysou Corp estate.
- C. While the Amazon Seller Central platform reported domestic and international gross sales from June 1, to June 30, 2023 of \$292,701 & net sales of \$201,964, Amazon sent an unauthorized disbursement of \$255,083.13 to Souxing Tech account number 0361.
- D. While the Amazon Seller Central platform reported domestic and international gross sales from July 1, 2023 to July 31, 2023 of \$232,666 & net sales of \$160,540, Amazon sent a series of unauthorized disbursements from April 18, 2023 to July 26, 2023 totaling \$267,281.21.
- E. While the Amazon Seller Central platform reported domestic and international gross sales from August 1, 2023 to August 20, 2023 of \$122 and net sales of \$99, Amazon did not disburse any funds during the period.
- F. While the Amazon Seller Central platform reported domestic and international gross sales from September 16, 2023 to September 30, 2023 of \$36,189, Amazon did not disburse any funds during the period.

- G. As of September 2, 2023, 2:00pm PST, Amazon revoked and has locked out the CRO from access to the account. Numerous attempts have been made to understand the rationale, but have been unsuccessful.
- H. As of September 14, 2023, Amazon reactivated the account, but security issues remain.
- I. Based on forecasted sales from April 18, 2023 to August 31, 2023, the Okaysou Corp estate should have sufficient working capital for operations to preserve its value. Additionally, the company should be profitable.

Part 7.

- A. The CRO is in the process of confirming tax and related payments. A request has been made to employ the Debtor's accounting firm to file Federal and State Tax Returns.
- B. On October 3, 2023, Capital Premier CPA's efiled Okaysou Corp Federal & State Tax returns; the estate issued check # 104 on October 5, 2023 in the amount of \$2,100 for tax services.
- C. On September 29, 2023, the estate issued check # 102 for the USTrustees Quarterly fee in the amount of \$452.

Sincerely,

David Mickelson
North Cape Advisors
Chief Restructuring Officer under 11 USC 363
Case #: 6:23-bk-11535
okaysoucorp.ddm@gmail.com
818 631-6784

Okaysou Corp Bank Journal October 1, 2023 to October 31, 2023

Date	Description	Type	Amount	Credit	Debit	Check #	Balance
10/31/23	SHIP SAVING	CITY OF IN Shipping	(9.69)		(9.69)		33,669.53
10/31/23	ZELLE TO MIGUEL BARCO	Office	(350.00)		(350.00)		33,679.22
10/31/23	CCD AMAZON.C5P5CW939 PAY	Deposit	12,650.36	12,650.36			34,029.22
10/30/23	ZELLE TO MIGUEL BARCO	Office	(5.00)		(5.00)		21,378.86
10/26/23	CCD ShipSaving	ACCTVERIFY Shipping	(0.17)		(0.17)		21,383.86
10/26/23	SHIP SAVING	CITY OF IN Shipping	(11.62)		(11.62)		21,384.03
10/26/23	CCD ShipSaving	ACCTVERIFY Shipping	0.12	0.12			21,395.65
10/26/23	CCD ShipSaving	ACCTVERIFY Shipping	0.05	0.05			21,395.53
10/25/23	DDA CHECK	Accountant	(2,100.00)		(2,100.00)	104	21,395.48
10/25/23	ZELLE TO JACQUELINE SMITH	Insurance	(1,012.85)		(1,012.85)		23,495.48
10/18/23	DDA CHECK	NCA	(8,550.00)		(8,550.00)	106	24,508.33
10/18/23	DDA CHECK	US Trustee	(452.00)		(452.00)	102	33,058.33
10/17/23	CCD AMAZON.COZGWTGPF PA	Deposit	23,849.01	23,849.01			33,510.33
10/17/23	CCD AMAZON.CH2SYGZMO PA	Deposit	1,403.07	1,403.07			9,661.32
10/10/23	DDA CHECK	Rexford - Rent	(5,301.50)		(5,301.50)	103	8,258.25
10/10/23	CCD AMAZON.CRLCY2MRV PA	Deposit	0.01	0.01			13,559.75
10/2/23	DDA CHECK	NCA	(8,550.00)		(8,550.00)	101	13,559.74
10/2/23	READYREFRESH WATERSERV	Office	<u>(129.95)</u>		<u>(129.95)</u>		<u>22,109.74</u>
			11,429.84	37,902.62	(26,472.78)		22,239.69



BMO BANK N.A.
P.O. BOX 94033
PALATINE, IL 60094-4033

350201

ACCOUNT NUMBER: [REDACTED]

Statement Period
10/01/23 TO 10/31/23
IM00990029000000000

90 05646

PAGE 1 OF 2

0
OKAYSOU CORP
DEBTOR-IN-POSSESSION
GENERAL ACCOUNT
603 S MILLIKEN AVE STE G
ONTARIO CA 91761-8102

0000

IF YOU HAVE QUESTIONS ABOUT ANY OF YOUR BMO ACCOUNTS, PLEASE CALL US TOLL-FREE AT 1-888-340-2265. BMO BANK N.A. MEMBER FDIC. EQUAL HOUSING LENDER. NMLS401052 VISIT US ONLINE AT WWW.BMO.COM.

CHECKING ACCOUNTS

BMO SIMPLE BUSINESS CKG
ACCOUNT NUMBER 0079169546 (Checking)

OKAYSOU CORP

DEPOSIT ACCOUNT SUMMARY

Previous Balance as of September 30, 2023	22,239.69
6 Deposits (Plus)	37,902.62
12 Withdrawals (Minus)	26,472.78
Ending Balance as of October 31, 2023	33,669.53

Deposits and Other Credits

Date	Amount	Description
Oct 10	.01	ACH DEPOSIT
		CCD AMAZON.CRLCY2MRV PAYMENTS
Oct 17	1,403.07	ACH DEPOSIT
		CCD AMAZON.CH2SYGZMO PAYMENTS
Oct 17	23,849.01	ACH DEPOSIT
		CCD AMAZON.COZGWTGPF PAYMENTS
Oct 26	.05	ACH DEPOSIT
		CCD ShipSaving ACCTVERIFY
Oct 26	.12	ACH DEPOSIT
		CCD ShipSaving ACCTVERIFY
Oct 31	12,650.36	ACH DEPOSIT
		CCD AMAZON.C5P5CW939 PAYMENTS

Withdrawals and Other Debits

Date	Amount	Description	RECORD NO.	CARD NO.
Oct 02	129.95	POS PURCHASE	315555	9138
		READYREFRESH WATERSERV	800 274 5282	CA
Oct 25	1,012.85	TRANSFER OUT	RECORD NO.	P0K09D
		ZELLE TO JACQUELINE SMITH		
Oct 26	11.62	POS PURCHASE	RECORD NO.	501371
		SHIP SAVING	CITY OF	INDU
Oct 26	.17	ACH DEBIT		CA
		CCD ShipSaving	ACCTVERIFY	
Oct 30	5.00	TRANSFER OUT	RECORD NO.	P0L0DM
		ZELLE TO MIGUEL BARCO		
Oct 31	350.00	TRANSFER OUT	RECORD NO.	P0C07V
		ZELLE TO MIGUEL BARCO		



BMO BANK N.A.
P.O. BOX 94033
PALATINE, IL 60094-4033

350202

ACCOUNT NUMBER: [REDACTED]

Statement Period
10/01/23 TO 10/31/23
IM00990029000000000

90 05646

OKAYSOU CORP

PAGE 2 OF 2

0

Oct 31 9.69 POS PURCHASE
SHIP SAVING RECORD NO. 001888 CARD NO. 9138
CITY OF INDU CA

Checks by Serial Number

Date	Serial #	Amount	Date	Serial #	Amount
Oct 02	101	8,550.00	Oct 25	104	2,100.00
Oct 18	102	452.00	Oct 18	106 *	8,550.00
Oct 10	103	5,301.50			

* Indicates break in check sequence

Daily Balance Summary

Date	Balance	Date	Balance
Sep 30	22,239.69	Oct 25	21,395.48
Oct 02	13,559.74	Oct 26	21,383.86
Oct 10	8,258.25	Oct 30	21,378.86
Oct 17	33,510.33	Oct 31	33,669.53
Oct 18	24,508.33		

